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EXAMINER

BAIRD, EDWARD J

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/747,612	Applicant(s) MCCOPPIN ET AL.	
	Examiner EDWARD BAIRD	Art Unit 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 15 November 2007.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-24 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-24 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Status of Claims

1. Applicant has amended claims 1, 2, 7-12, 13-15, and 19-24 in this application. No new claims have been added. No claims have been canceled. Thus, claims 1-24 remain pending in this application and are presented for examination.

Response to Arguments

2. Applicant's arguments and amendments filed on 15 November 2007, with respect to rejections of claims 2-4, 10-12, 14-16, and 22-24 rejected under 35 U.S.C. 112, 2nd paragraph have been fully considered.

3. Regarding **claims 4 and 16**, Examiner has withdrawn rejections under second paragraph of 35 U.S.C. 112. Examiner agrees that specification of SWIFT MT 103 is definite as described in **SWIFT.com** ("MT 103 migration – a success for the whole community", home page stories archive 2003, posted 11/21/2003).

4. Regarding **claims 2-3, 10-12, 14, 15, and 22-24**, Examiner disagrees with Applicant's arguments regarding definiteness of the claims. Examiner affirms that FEDWIRE, SWIFT, and CHIPS, although the terms have been long-established and are generally known to the public and for use by a person of ordinary skill in the art, definition of the specific system and requirements may change over a period of time. This would not hold true for the "specification of SWIFT MT 103" which was clearly defined in above mentioned reference.

To overcome this rejection, Examiner recommends specifying what specific limits of SWIFT at a point in time.

5. Applicant's arguments and amendments filed on 15 November 2007, with respect to rejections of **claims 1-24** rejected under 35 U.S.C. 102 (e), 103 (a), have been fully considered but are moot in view of new ground(s) of rejection.

Claim Rejections - 35 USC § 112

6. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

7. Claims 2-3, 10-12, 14-15, and 22-24 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

8. **Claims 2, 7, 11, 14, 19, and 23** contain the trade name FEDWIRE. Where a trade name is used in a claim as a limitation to identify or describe a particular material or product, the claim does not comply with the requirements of 35 U.S.C. 112, second paragraph. See *Ex parte Simpson*, 218 USPQ 1020 (Bd. App. 1982). The claim scope is uncertain since the trade name cannot be used properly to identify any particular material or product. A trade name is used to identify a source of goods, and not the goods themselves. Thus, a trade name does not identify or describe the goods associated with the trade name. In the present case, the trade name is used to describe a mechanism that provides guaranteed funding of transactions and, accordingly, the description is indefinite.

9. **Claims 3, 12, 15, and 24** contain the trade name SWIFT. In the present case, the trade name describes a communications network that provides a secure payment and messaging protocol and, accordingly, the description is indefinite.

10. **Claims 10 and 22** contain trade name Clearing House Interbank Payment System (i.e. CHIPS). In the present case, the trade name is used to describe a system for clearing payments and, accordingly, the description is indefinite.

Claim Rejections - 35 USC § 102

11. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this office action:

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

12. Claims 1, 5, 6, 8, 9, 13, 17, 18, 20, and 21 are rejected under 35 U.S.C. 102 (b) as being anticipated by **Harada, et al** (US Pub No. 2003/0208440).

13. Regarding **claim 1 and 13**, **Harada** teaches a international payment method / system which:

- receives financial transaction payment instructions from a Client Bank in a format associated with a settlement funds transfer system that provides guaranteed funding of the transaction to a Receiver Financial Institution;

Harada discloses a system and method for ordering, pricing, processing, and executing international payment transactions including moving funds from a source account in one country to a destination account held in another country [0010]. **Harada** further discloses how the system and method is designed to accommodate all types of financial accounts and financial instruments, and can be applied to “institutions, such as **banks**, as well as individual customers” [0010]. **Harada** further discloses a new customer accessing a system for the first time, the

system generating a file and storing the file in a system database [0028]. A prospective customer completes a questionnaire, which is initially reviewed for accuracy and completeness. "Advanced" checks may then be performed for compliance to Federal Regulations, such as OFAC, and for personal data such as date-of-birth and Social Security number [0028].

Examiner interprets *institutions, such as banks* to include Applicant's **Client Bank** and **Receiver Financial Institution**. Examiner interprets *a system generating a file and storing it in a system database* as Applicant's **receives financial transaction payment instructions**.

Harada discloses a system which has access to a worldwide framework of bank accounts located in markets throughout the world. After a customer enters an order and all markups and fees are applied, an electronic message is generated that contains payment instructions and an actual payment transfer of currency. This payment instruction message is passed through a subsystem that validates the contents of the message before it is transmitted [0051]. Examiner interprets *subsystem that validates the contents of the message* as Applicant's **settlement funds transfer system that provides guaranteed funding of the transaction**. Examiner notes that since *an electronic message is generated that contains payment instructions and an actual payment transfer of currency*, it is inherent in the system that the Applicant's **transaction payment instructions from a Client Bank** are in a **format associated with a settlement funds transfer system** in that *the system has access to a worldwide framework of bank accounts*.

Harada teaches:

- analyzing the received financial transaction payment instructions,

Harada discloses that the system will calculate an exchange rate markup to be applied to transactions [0032]. Examiner interprets **calculating an exchange rate markup** as including the Applicant's **analyzing the received financial transaction payment instructions**.

Harada teaches:

- generating foreign financial transaction payment instructions for at least one financial institution located in a foreign country, the foreign financial transaction payment instructions including data in a funds transfer messaging service format that is compatible with both the Receiver Financial Institution and the at least one financial institution.

Examiner notes that an *electronic message being generated that contains payment instructions* [0051] as Applicant's **generating foreign financial transaction payment instructions**, discussed above. Examiner notes that a *destination account held in another country* [0010] as indicative of Applicant's **at least one financial institution located in a foreign country**. Examiner also notes that a *subsystem that validates the contents of the message* as indicative of Applicant's **funds transfer messaging service** which is in a format compatible with the **Receiver Financial Institution**. Examiner notes that the **at least one financial institution** includes the **Receiver Financial Institution**.

Examiner notes that claim 13 is a mechanism representing the method of claim 1 and, therefore, is rejected for the same reasons.

14. Regarding **claim 5 and 17**, **Harada** teaches a method wherein the Client Bank is a domestic bank.

Harada discloses: "An international payment system, where a payment instruction is communicated from a customer in one country to a local currency account in another country. . . . The funds at the treasury account may be exchanged for the foreign currency of the local currency account, and payment made to the local currency account either by transferring funds directly to it, or by providing a credit entry in a general ledger on behalf of the local currency account in the first country", [Abstract]. **Harada** further discloses that Figure 2 represents a

conventional international payment system structure where correspondent banking transactions can be viewed as a series of credits and debits, starting at the originating bank and ending at the destination bank, where the originating bank is in a first market that may be **one country** and the destination bank is in a second market that may be in **another country** [paragraph 0040 and Figure 2]. Examiner interprets that the originating bank and destination bank as being a domestic bank and a foreign bank, interchangeably, as well as being a Client Bank and a Receiver Financial Institution, interchangeably.

15. Regarding **claims 6 and 18**, **Harada** teaches a method wherein the financial transaction is self-funding.

Harada discloses that a payment request is communicated to a funds account to ensure that sufficient funds to cover the payment are provided to a treasury account [0078]. Examiner interprets *ensuring that sufficient funds to cover the payment are provided* as Applicant's **assuring sufficient funding is available** as described in the Applicant's specification [0040].

16. Regarding **claim 8 and 20**, **Harada** teaches a method of **transmitting foreign financial transaction payment instructions** to a financial institution. **Harada** discloses this in paragraph [0051] as presented in the rejection of claims 1 and 13, above. Examiner notes that an *electronic message being generated that contains payment instructions* [0051] to include Applicant's **transmitting foreign financial transaction payment instructions**, discussed above.

17. Regarding **claim 9 and 21**, **Harada** teaches a method of **processing** payment instructions wherein the financial institution includes a branch of the Receiver Financial Institution that generated and transmitted the foreign financial transaction payment instructions.

Harada discloses this in paragraph [0051] as presented in the rejection of claims 1 and 13, above. Examiner notes that an *electronic message being generated that contains payment*

instructions [0051] to include Applicant's **processing payment instructions**, as discussed above.

Claim Rejections - 35 USC § 103

18. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

19. Claims 2, 3, 7, 10-12, 14, 15, 19, and 22-24 are rejected under 35 U.S.C. 103 (a) as being unpatentable over **Harada**, et al (US Pub No. 2003/0208440) in view of **Knight**, et al (US Pub No. 2001/0034682).

20. Regarding **claim 2 and 14**, **Harada** does not teach:

- a settlement funds transfer system is the FEDWIRE system
- wherein the financial transaction payment instructions cause both an automatic credit and an automatic debit of associated accounts to be made upon receipt.

However, **Knight** discloses a system and method for providing banks with access to a previously inaccessible existing international infrastructure [Abstract]. **Knight** discloses that the funds transfer section of the provider bank can process the transactions through one of the clearing systems [0011].

Knight discloses an embodiment in which instructions for financial transactions are communicated from client bank to provider bank through a proprietary file structure [0035]. FIG. 3 further illustrates the *processing of payments and credits to and from provider bank through*

local clearing systems to and from beneficiaries/remitters [Figure 3 and paragraph 0035].

Knight notes that customers can be located in a foreign country and desiring a payment into the U.S., or in the U.S. and desiring a payment into a foreign country; or the system can be used for a foreign country to a foreign country payment [0035]. The format of the payments in file 310 are [sic] such that multiple payment types and currencies are capable of being included in a single file 310. This includes Clearing House Interbank Payment System (CHIPS) format, *FedWire*, book, U.S. domestic ACH payments, and Euro or other foreign currency payments [0035].

Examiner interprets *processing of payments and credits to and from provider bank through local clearing systems* to include Applicant's **automatic credit and an automatic debit of associated accounts to be made upon receipt**. Examiner notes that since **Knight's** file 310 includes a *FedWire* format, *FedWire* is being indicated as a clearing system as indicated in [paragraph 0011] above.

Therefore, it would have been obvious to a person having an ordinary skill in the art at the time of the invention for **Harada** to include using the *FedWire* system and automatic credit and debit of associated accounts to be made upon receipt as taught by **Knight** because doing so would greatly increase the number of financial institutions which could use the invention of **Harada**.

21. Regarding **claim 3 and 15**, **Knight** teaches:

- the funds transfer messaging service format that is compatible with both the Receiver Financial Institution and the at least one financial institution is SWIFT message compatible.

However, **Knight** discloses, in an alternative embodiment, communicating financial messages between client and provider banks using the SWIFT network [0044].

Therefore, it would have been obvious to a person having an ordinary skill in the art at the time of the invention for **Harada** to include using the *SWIFT messaging* as taught by **Knight** because doing so would significantly expand the service of financial messaging [Knight 0044].

22. Regarding **claim 7 and 19**, **Knight** teaches:

- the financial transaction payment instructions are received via an interface with the settlement funds transfer system, said interface being configured to provide access to the FEDWIRE system.

Knight discloses that customers can be located in a foreign country and desiring a payment into the U.S., or in the U.S. and desiring a payment into a foreign country; or the *system* can be used for a foreign country to a foreign country payment [0035]. **Knight** discloses that the format of the payments in file 310 are [sic] such that multiple payment types and currencies are capable of being included in a single file 310. This includes Clearing House Interbank Payment System (CHIPS) format, *FedWire*, book, U.S. domestic ACH payments, and Euro or other foreign currency payments [0035]. Examiner interprets **Knight's system** as equivalent to Applicant's **settlement funds transfer system**.

As discussed here, these claims are not substantially different from claims 2 and 14, respectively, and are therefore rejected for the same reasons.

23. Regarding **claim 10 and 22**, **Knight** teaches:

- wherein the at least one financial institution includes a member of the Clearing House Interbank Payment System (CHIPS).

Knight discloses this in paragraph [0035] as discussed in the rejection of claims 7 and 19 above.

Therefore, it would have been obvious to a person having an ordinary skill in the art at the time of the invention for **Harada** to include *a financial institution which includes a member of*

the *CHIPS* as taught by **Knight** because *CHIPS* is well known in the art as being an international wire transfer system that performs high-value transactions passed between banks.

24. Regarding **claim 11 and 23**, Harada teaches all the items of claims 8 and 20, the claims upon which claims 11 and 23 depend, respectively, but do not teach:

- the at least one financial institution includes a member of the FEDWIRE funds transfer system,
- wherein the financial transaction payment instructions cause both an automatic credit and an automatic debit of associated accounts to be made upon receipt thereof.

These claims are substantially similar to claims 2 and 14, and are therefore rejected for the same reasons.

25. Regarding **claim 12 and 24**, **Harada** teaches all the items of claim 8 and 20, the claims upon which they depend, respectively. **Harada** does not teach:

- the at least one financial institution includes a correspondent bank that is SWIFT-connected to the Receiver Financial Institution that generated and transmitted the foreign financial transaction payment instructions, the correspondent bank handling business in a particular geographic area.

However, **Knight** discloses, in an alternative embodiment, communicating financial messages between client and provider banks using the SWIFT network [0044], as discussed in the rejection of claim 3 and 15, above.

Therefore, it would have been obvious to a person having an ordinary skill in the art at the time of the invention for **Harada** to include using the *SWIFT messaging* as taught by **Knight** because doing so would significantly expand the service of financial messaging [Knight 0044].

26. Claims 4 and 16 are rejected under 35 U.S.C. 103 (a) as being unpatentable over **Harada**, et al (US Pub No. 2003/0208440) in view of **Knight**, et al (US Pub No. 2001/0034682) in further view of **SWIFT.com** ("MT 103 migration – a success for the whole community", home page stories archive 2003, posted 11/21/2003).

27. Regarding **claims 4 and 16**, **Harada** and **Knight** teach all the items of claims 2 and 14, the claims upon which these claims depend, respectively, but do not teach foreign financial transaction payment instructions which comply with SWIFT MT 103 specifications (i.e. messaging standards).

However, SWIFT.com teaches about foreign financial transaction payment instructions which comply with SWIFT MT 103 messaging standards. **SWIFT.com** discloses "The weekend of 15-16 November saw two significant events in SWIFT's history. The first was the removal of the MT 100, SWIFT's most-used message, from the network. To enable this to happen, migration to the MT 103 needed a successful completion and this was achieved with a 98% migration rate on the last working day before the deadline", [2nd paragraph].

Therefore, it would have been obvious to a person having an ordinary skill in the art at the time of the invention for **Harada** and **Knight** to include *SWIFT MT 103 specifications* as disclosed by SWIFT.com because its use would increase certainty, transparency, and automation (STP) of customer transfers as well as reduced cost, reduced risk, and conform to worldwide regulatory requirements.

Conclusion

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Ed Baird whose telephone number is (571) 270-3330. The examiner can normally be reached on Monday - Thursday 7:30 am - 5:00 pm Eastern Time.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jay Kramer can be reached on (571) 272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private

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PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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